Self-Regulatory Price Control on Drugs

1465. SHRI RAFIQUE ALAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether his attention has been drawn to the news-item which appeared in the Evening News of Hindustan Times on 19th February, 1987 captioned "Drug Industry: Self-regulatory Price Control suggested";

(b) if so, whether it is a fact that past experience indicates high price increase of price decontrolled medicines;

(c) what were the prices of five leader selling products of each of the preparations of enzyme, harmones and steriods, tranqualisers, vaporubs, lozenges; cough syrups, tonics, muscle relaxants and other categories of preparations falling under decontrol at the time of announcement of control order and in 1987;

(d) what was the percentage increase in each product;

(e) whether it is also a fact that Government have proposed further price decontrol; and

(f) if so, what is their reaction to self-requlatory control instead of price decontrol which will lead to high increase in prices?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) Yes, Sir. Prices of some decontrolled medicines have gone up.

(c) and (d) Government is not monitoring the production of price decontrolled formulations.

(e) and (f) With a view to ensure abundant availability at reasonable prices of essential and life saving drugs of good quality, the Government after due consideration has recently announced some measures and proposed to group the price controlled drugs into 2 categories. Copies of these measures have already been placed in the Parliament Library.

Amount to be recovered under DPCO

1466. SHRI RAFIQUE ALAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have taken any action against drug companies under para 29 of Drug Price Control Order, 1979;

(b) if so, what are the details in this regard and names of drug companies involved;

(c) what is the total amount collected by his Ministry under para 17 of DPCO 1979 and what amount is yet to be recovered;

(d) whether it is a fact that Government have still to work out the amount due from a number of drug companies from 1980 onwards;

(e) what are the reasons for non-working and why the amount is not being collected; and

(f) by when the entire amount on this account will be collected by Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) A notice was issued to M/s. Warner Hindustan when instances of wrong categorisation of Isokin 300 mg. Tablets, Isokin Liquid and Pyridium Tablets came to the notice of the Government. After the judgement of the Delhi High Court in respect of former two-products and issuance of the notice to the company by this Department in respect of Pyridium Tablets, they have reclassified the products as Category-III formulations.

(c) A total amount of Rs. 70 lacs has so far been recovered into the Drug Prices

Equalisation Account under Para 17 of the Drugs (Prices Control) Order. The final figure of the amount due is being worked out.

(d) to (f) Yes Sir. The process of determining the amount is a comprehensive one and requires detailed verification of record relating to purchases, prices of such purchases and utilisation etc. The process of recovery in on in accordance with due procedure of law. As the verification of records is a time consuming process, the recovery takes time. It is not possible to indicate the exact time limit by when recovery will be completed.

Review under DPCO

1467. SHRI RAFIQUE ALAM: Will the Minister of INDUSTRY be pleased to state:

(a) the names of drug companies who applied for review under para 27 of Drugs Price Control Order 1979 against price fixation order since 1979;

(b) how many cases have been disposed of upto 31st January, 1987 and how many cases of review are still pending alongwith the details of each;

(c) by when the pending review petitions will be finalised;

(d) how many companies were not satisfied with the decision of review petitions and how many went to various courts alongwith name of each company, drug formulation and price fixed and being charged today;

(e) what is the date of filing of each petition in courts and how many are still pending alongwith the detailed position of each; and

(f) what steps Government have taken to expedite the decisions?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) to (c) Government has fixed/revised prices of about 15,000 formulation since the commencement of Drugs Price Control Order, 1979 and many companies applied for review against these decisions. To the extent possible, review petitions have been disposed of and some are pending due to procedural hurdles like court judgements, long process involved in the scrutiny of the claims made by the companies and their insistence on personal hearing and reconsideration even after disposal. Efforts are being made to dispose of the petitions expeditiously.

(d) to(f) Information to the extent available will be collected and laid on the Table of the Rajya Sabha.

Incentives to Chemical Industry

1468. SHRI K. VASUDEVA PANICKER: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to give some incentives to chemical industry in the country to undertake modernisation programme; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) In order to promote technological upgradation and modernisation of industries including Chemical Industries, a Technical Development Fund already exists to provide foreign exchange assistance. No fresh proposal is under consideration.

Hike in drug prices

1469. SHRI D. B. CHANDRE GOWDA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government announced a hike in the prices of essential drugs during December, 1986;